

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
LICENSE BRANCH NUMBERS 170, 262, AND 470  
FORT WAYNE, INDIANA

January 1, 2004 to December 31, 2004





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## OFFICIALS

### Office

### Official

### Term

Chairman, Bureau of Motor  
Vehicles Commission

Gerald Coleman  
Mary DePrez  
Joel Silverman

01-06-02 to 02-29-04  
03-01-04 to 01-09-05  
01-10-05 to 01-11-09

Branch Manager

Deborah S. Moynahan

01-01-04 to 12-31-05



# STATE OF INDIANA

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## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Numbers 170, 262, and 470 (Branches) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branches for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 17, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
 LICENSE BRANCH NUMBERS 170, 262, AND 470  
 FORT WAYNE, INDIANA  
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS  
 January 1, 2004 to December 31, 2004

	Branch Number 170	Branch Number 262	Branch Number 470	Totals (Memorandum Only)
Collections:				
Registrations	\$ 6,403,839	\$ 860,570	\$ 2,814	\$ 6,406,653
Titles	2,099,153	-	1,930	2,101,083
Drivers licenses	442,633	-	31,106	473,739
Watercraft	180,631	-	45	180,676
Miscellaneous	<u>2,449</u>	<u>-</u>	<u>-</u>	<u>2,449</u>
Totals	<u>\$ 9,128,705</u>	<u>\$ 860,570</u>	<u>\$ 35,895</u>	<u>\$ 9,164,600</u>
Distributions:				
State fees	\$ 3,381,045	\$ 150,202	\$ 17,190	\$ 3,398,235
County tax	4,824,563	645,472	2,215	4,826,778
Commission fees	<u>923,097</u>	<u>64,896</u>	<u>16,490</u>	<u>939,587</u>
Totals	<u>\$ 9,128,705</u>	<u>\$ 860,570</u>	<u>\$ 35,895</u>	<u>\$ 9,164,600</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
LICENSE BRANCH NUMBERS 170, 262, AND 470  
FORT WAYNE, INDIANA  
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

Note 4. Combined Branch Report

This report contains financial and statistical information for Fort Wayne License Branch Numbers 170, 262, and 470. Fort Wayne Branch Number 170 is a full-service license branch. License Branch Number 262, is a self-service terminal (SST). License Branch Number 470 is a regional site for the reinstatement of drivers licenses. These branches are combined in one report because the manager of Branch 170 is responsible for managing all three branches.

Note 5. State Reinstatement of Driver Licenses (SRED)

In 2004, \$1,173,387 in state fees were collected by Fort Wayne License Branch Number 470, a regional site for the reinstatement of suspended drivers licenses. SRED collections are deposited daily in the branch clearing account. SRED fees are remitted to the state through bank transfers as described in Notes 1 and 2. These amounts have not been reported in the Schedule of Collections and Distributions.

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
 LICENSE BRANCH NUMBERS 170, 262, AND 470  
 FORT WAYNE, INDIANA  
 STATISTICAL INFORMATION  
 January 1, 2004 to December 31, 2004

<u>Transactions Processed</u>	<u>Branch Number 170</u>	<u>Branch Number 262</u>	<u>Branch Number 470</u>	<u>Totals (Memorandum Only)</u>
Vehicle registrations:				
Passenger	34,720	5,953	16	34,736
Motorcycle	1,308	214	1	1,309
RV (housecar)	340	36	-	340
Light truck	9,255	1,320	5	9,260
Other truck	372	7	-	372
Farm truck	20	-	-	20
Tractor	11	-	-	11
Trailer	3,416	335	1	3,417
Semitrailer	180	5	-	180
School and church bus	26	1	-	26
Other bus	34	-	-	34
Other	12	-	-	12
Total vehicle registrations	<u>49,694</u>	<u>7,871</u>	<u>23</u>	<u>49,717</u>
Drivers licenses and permits:				
Drivers licenses/learners permits	18,321	-	1,432	19,753
CDL licenses/CDL permits	886	-	114	1,000
Placards	1,986	-	-	1,986
Other	13,549	-	844	14,393
Total drivers licenses and permits	<u>34,742</u>	<u>-</u>	<u>2,390</u>	<u>37,132</u>
Titles:				
Vehicles	33,659	-	17	33,676
Watercraft	558	-	-	558
Total titles	<u>34,217</u>	<u>-</u>	<u>17</u>	<u>34,234</u>
Total watercraft registrations	<u>1,665</u>	<u>-</u>	<u>1</u>	<u>1,666</u>



STATE BUREAU OF MOTOR VEHICLES COMMISSION  
LICENSE BRANCH NUMBERS 170, 262, AND 470  
FORT WAYNE, INDIANA  
EXAMINATION RESULTS AND COMMENTS

INVENTORY CONTROL

Accountable items (i.e., permanent disability placards and 96 hour permits) were not accurately maintained. A similar comment appeared in prior Audit Report B24335.

Instructions for maintaining logs of accountable items are given to the branch managers. (Branch Operations Policies and Procedures Manual, Equipment and Supplies Chapter)

MISSING PLATE AFFIDAVITS

A missing plate affidavit was not filed in a timely manner for one of the two affidavits tested.

Missing plate affidavits are to be submitted when an accountable item listed on the consignment sheet is initially discovered missing. (Branch Operations Policies and Procedures Manual, Equipment and Supplies Chapter)

DEPOSIT COMPOSITION

As stated in prior Audit Report B24335, the composition of cash, checks and credit card totals on the cash register tapes did not agree with the breakdown on the bank deposit tickets and credit card deposit forms on eighty percent of the invoices tested.

Transactions must be entered into the register according to the correct department and payment category keys at all times. (Branch Operations Policies and Procedures Manual, Periodic Reconcilements Chapter) IC 5-13-6-1 states in part: "Public funds . . . shall be deposited in the same form in which they were received."

INACCURATE TIME RECORDS

Four of the seven weekly time records tested were mathematically inaccurate. The total hours worked column of the time record did not agree with the hours posted. A similar comment appeared in prior Audit Report B24335.

Employee weekly time records should be mathematically correct. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, page 9:4)

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
LICENSE BRANCH NUMBERS 170, 262, AND 470  
FORT WAYNE, INDIANA  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

ACCOUNTABLE ITEMS

The following schedule details missing items revealed during a comparison of actual inventory of accountable items to the Open Inventory Report of the State Bureau of Motor Vehicles at December 31, 2004. No evidence was found to indicate these items have been sold. A similar comment appeared in prior Audit Report B24335.

<u>Year</u>	<u>Plate Type</u>	<u>Plate Number</u>
2005	Trailer 3,000	407177A
2005	Trailer 12,000	20942D
2006	Specialty	VT9806
2007	Motorcycle	92574
2007	Passenger	2E7397
2007	Passenger	2E8004
2007	Passenger	2E9957
2007	Passenger	2H9837
2007	Personalized	TBUDRO
2008	Cross County	21225

A listing of the items that are to be accounted for to the State Board of Accounts is included in the Branch Operations Policies and Procedures Manual. (Branch Operations Policies and Procedures Manual, Supplies and Equipment Chapter)

STATE BUREAU OF MOTOR VEHICLES COMMISSION  
LICENSE BRANCH NUMBERS 170, 262, AND 470  
FORT WAYNE, INDIANA  
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2005, with Deborah S. Moynahan, Branch Manager.